



IRA A. JACKSON
COMMISSIONER

The Commonwealth of Massachusetts

Department of Revenue

Levensett Saltonstall Building,

100 Cambridge Street, Boston 02204

January 26, 1983

You inquire whether the Massachusetts sales tax applies to sales and rentals of oxygen masks and tubing and kidney dialysis equipment, or to sales of kidney dialysate and items used in connection with dialysis treatment, such as alcohol wipes and bandages. You state that charges for these purchases or rentals may be covered in whole or in part by the Medicaid or Medicare programs. It is assumed that the sales and rentals about which you inquire are not exempt under General Laws Chapter 64H, Section 6(e), which provides that sales to certain religious, educational, charitable and scientific organizations are not subject to the sales tax.

General Laws Chapter 64H, Section 6(1) provides that the sales tax does not apply to

"[s]ales of medicine...on prescriptions of registered physicians...; sales of artificial devices individually designed, constructed or altered solely for the use of a particular crippled person so as to become a brace, support, supplement, correction or substitute for the bodily structure including the extremities of the individual; [and] sales of artificial limbs, artificial eyes, hearing aids and other equipment worn as a correction or substitute for any functioning portion of the body."

Also exempt from tax are sales to the United States, the Commonwealth of Massachusetts or any political subdivision thereof, or their respective agencies (G.L. c. 64H, s. 6(d)).

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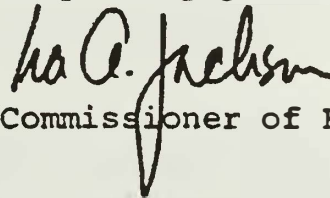
Sale is defined in Chapter 64H, Section 1(12)(a) as including leases and rentals.

Based on the foregoing, it is ruled that:

1. Sales of kidney dialysate on prescriptions of registered physicians are exempt from the sales tax; sales of dialysate to physicians or to medical facilities not exempt under Chapter 64H, Section 6(e) are subject to the sales tax.

2. Sales and rentals of oxygen masks and tubing and kidney dialysis equipment, and sales of items, such as alcohol wipes and bandages, used in connection with dialysis treatment, are subject to the sales tax, whether or not charges for the items are covered in whole or in part by the Medicaid or Medicare programs..

Very truly yours,

A handwritten signature in dark ink, appearing to read "H. A. Jackson". The signature is written in a cursive style with a large, looped initial "H".

Commissioner of Revenue

IAJ:JXD:mf

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